

Michael C. Bynane
Assistant General Attorney

RECORDATION NO. 11422
JAN 24 1980 - 11 15 AM
INTERSTATE COMMERCE COMMISSION



Law Department
Terminal Tower
P. O. Box 6419
Cleveland, Ohio 44101
216 623 2472

January 23, 1980

0-024A040

Ms. Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Attention: Mrs. M. R. Lee, Room 2303
Recordation Unit

JAN 24 1980
Date
Fee \$ 50.00

Dear Ms. Mergenovich:

ICC Washington, D. C.

Enclosed are executed counterparts Nos. 4, 5, and 6 (of 6) of an Agreement dated as of January 1, 1980, between General Electric Company, 2901 East Lake Road, Erie, Pennsylvania 16531 (Bailor) and The Chesapeake and Ohio Railway Company, P.O. Box 6419, Cleveland, Ohio 44101 (Bailee).

The equipment will be lettered "Chessie System", "C&O", or in some other appropriate manner and will also be marked:

"OWNERSHIP SUBJECT TO A SECURITY AGREEMENT
FILED WITH THE INTERSTATE COMMERCE COMMISSION".

Also enclosed is a draft of The Chesapeake and Ohio Railway Company in the amount of \$50 representing the required recording fee.

Pursuant to the Commission's rules and regulations for the recordation of certain documents under 49 USC §11303, as currently administered, you are hereby requested to duly file one of the enclosed counterparts for record in your office and to return the remaining two to me at my above address.

Very truly yours,

Michael C. Bynane

MCB:aj
Enclosures



The Chessie System railroads are the C&O, B&O, WM and affiliated lines. Chessie System, Inc. is the parent for the railroads, Chessie Resources, Inc., Western Pocahontas Corp. and The Greenbrier.

Interstate Commerce Commission
Washington, D.C. 20423

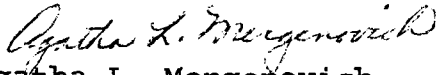
OFFICE OF THE SECRETARY

Michael C. Bynane
Chessie System
Law Department
Terminal Tower
P. O. Box 6419
Cleveland, Ohio 44101

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/24/80 at 11:55AM, and assigned re-recording number(s). 11422

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDATION NO. 11422
Filed 1425
JAN 24 1980 - 11 15 AM
INTERSTATE COMMERCE COMMISSION

AGREEMENT

Dated as of January 1, 1980

between

GENERAL ELECTRIC COMPANY

and

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

Covering

14 3000 H.P. Model B30-7 Locomotives

THIS AGREEMENT, dated as of January 1, 1980, by and between GENERAL ELECTRIC COMPANY, a New York corporation ("Manufacturer"), and THE CHESAPEAKE AND OHIO RAILWAY COMPANY, a Virginia corporation ("C&O"):

W I T N E S S E T H :

The Manufacturer and C&O heretofore entered into a letter Agreement dated April 16, 1979 (a copy of which letter Agreement is made a part hereof by reference), and such addenda thereto and modifications thereof as may have been or may be agreed upon in writing between the Manufacturer and C&O, whereunder the Manufacturer agreed (among other things) to construct at its Erie, Pennsylvania plant in accordance with its Specification 3330F, dated February, 1977, and deliver to C&O and C&O agreed to accept and pay for:

- 14 3000 H. P. Model B30-7 locomotives ("Locomotives"),
to bear C&O road numbers
8265 - 8278, inclusive.

Delivery of the Locomotives by the Manufacturer to C&O is scheduled to begin in January, 1980. However, inasmuch as C&O has not as yet consummated financing arrangements (pursuant to Equipment Trust Agreement, Conditional Sale Agreement or otherwise), it is not in position to accept delivery of and pay for the Locomotives under the terms of the said letter Agreement at this time. C&O represents that such financing arrangements will be consummated, however, on or before ^{March 28,} ~~April 1,~~ 1980. ^{R. M. Gray} C&O ^{LCH} in order that it may use the Locomotives pending completion of the above financing arrangements) has arranged with the Manufacturer to give it temporary custody and possession of the Locomotives on their completion, solely as a bailee of the Locomotives, and the Manufacturer is willing to do so upon the terms and conditions hereinafter stated.

In consideration of the premises, the Manufacturer hereby delivers to C&O, and C&O hereby accepts from the Manufacturer, the Locomotives as of the date each of them is delivered to C&O at Erie, Pennsylvania, or such other place as may be specified by C&O, for the period ending on the earlier of ^{March 28,} ~~April 1,~~ 1980, ^{or the date of} ~~consummation of the above financing arrangements.~~ *MM* *LR* At such time this Agreement shall automatically be cancelled and superseded without further action by or notice to any party concerned.

Title to the Locomotives shall remain in the Manufacturer and C&O's right and interest therein is and shall be solely that of possession, custody, and use as bailee under this Agreement. Transfer of title shall be effected only at the time of delivery of the bills of sale. C&O, without expense to the Manufacturer, will promptly cause this Agreement to be filed with the Interstate Commerce Commission for recordation pursuant to 49 USC §11303. In addition, C&O shall do such other acts as may be required by law, or reasonably requested by the Manufacturer, for the protection of the Manufacturer's title to and interest in the Locomotives.

C&O agrees that it will permit no liens of any kind to attach to the Locomotives, and that it will

- (a) indemnify and save harmless the Manufacturer from any and all claims, expenses, or liabilities of whatsoever kind, and
- (b) pay any and all taxes, fines, charges, and penalties that may accrue or be assessed or imposed upon the Locomotives or the Manufacturer because of its ownership or because of the use, operation, management, or handling of the Locomotives by C&O during the term of this Agreement.

C&O's obligations contained in this paragraph shall survive the termination by mutual agreement or otherwise of this Agreement.

C&O will, at its own expense, keep and maintain the Locomotives in good order and running condition and will, at its option, repair or replace or promptly pay to the Manufacturer the purchase price in cash of those Locomotives which may be damaged or destroyed by any cause during the term of this Agreement.

Prior to the delivery of each Locomotive to C&O under this Agreement, it will be numbered with a road number as hereinbefore indicated, and there shall be plainly, distinctly, permanently, and conspicuously marked upon each side of each Locomotive, in contemplation of the financing heretofore referred to, the following legend in letters not less than one inch in height:

**OWNERSHIP SUBJECT TO A SECURITY AGREEMENT
FILED WITH THE INTERSTATE COMMERCE COMMISSION.**

C&O hereby agrees to indemnify the Manufacturer against any liability, loss, or expense incurred by it as a result of the placing of the aforementioned markings on the Locomotives.

In case, during the continuance of this Agreement, such markings shall at any time be removed, defaced, or destroyed on any Locomotive, C&O shall immediately cause the same to be restored or replaced.

All or any of the rights, benefits, or advantages of the Manufacturer, including the right to receive the purchase price of the Locomotives as provided in the Manufacturing Agreement, may be assigned by the Manufacturer and reassigned by any assignee at any time or from time to time, provided, however, that no such assignment shall subject any such assignee to any of the Manufacturer's warranties, indemnities, or any other obligations contained in this Agreement or in the Manufacturing Agreement relating to the Locomotives. In the event the Manufacturer assigns its rights to receive the payments herein and/or under the letter Agreement, and C&O receives written notice thereof from the Manufacturer, together with a counterpart of such assignment stating the identity and the post office address of the assignee, all payments thereafter to be made by C&O under this Agreement shall, to the extent so assigned, be made to the assignee against proper receipt therefor in form satisfactory to C&O.

In the event of any assignment by the Manufacturer of its rights to receive any payments under this Agreement or under the Manufacturing Agreement, the rights of such assignee to such payments as may be assigned, together with any other rights hereunder which can be and are so assigned, shall not be subject to any defense, set-off, counter-claim or recoupment whatsoever arising out of any breach of any obligation of the Manufacturer in respect to the Locomotives, nor subject to any defense, set-off, counterclaim, or recoupment whatsoever arising by reason of any other indebtedness or liability at any time owing to C&O by the Manufacturer. Any and all such obligations, howsoever arising, shall be and remain enforceable by C&O, its successors and assigns, only against the Manufacturer and its successors and assigns (other than assignees as such of rights, benefits or advantages assigned pursuant to this Agreement).

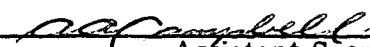
C&O agrees with the Manufacturer that the execution by the Manufacturer of this Agreement or the delivery by the Manufacturer to C&O of the Locomotives, as contemplated by this Agreement, shall not relieve C&O of its obligations to accept, take, and pay for the Locomotives in accordance with the terms of the Manufacturing Agreement, or impair any of the Manufacturer's rights under the Manufacturing Agreement.

GENERAL ELECTRIC COMPANY

By 
MANAGER-MARKETING
LOCOMOTIVE MARKETING DEPARTMENT

[Corporate Seal]

Attest:


Assistant Secretary
ATTESTING

THE CHESAPEAKE AND OHIO RAILWAY
COMPANY

By *L.C. Fink*
Assistant Vice-President
and Treasurer

[Corporate Seal]

Attest:

Patricia A. Shady
Assistant Secretary

APPROVED AS TO FORM
J.C. Synone
ASSISTANT GENERAL ATTORNEY

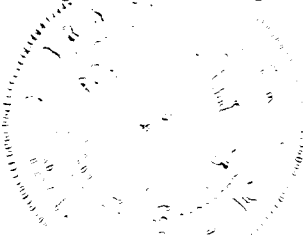
COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ERIE)

On this ^{JANUARY, 1980} ~~22nd~~ day of ~~December, 1979~~, before me personally appeared R.D. MOREY,
MANAGER - MARKETING LOCOMOTIVE
MARKETING DEPARTMENT of
GENERAL ELECTRIC COMPANY, that one of the seals affixed to the foregoing
instrument is the corporate seal of said corporation, that said instrument was signed and
sealed on behalf of said corporation by authority of its Board of Directors, and he
acknowledged that the execution of the foregoing instrument was the free act and deed
of said corporation.

Ira S. Miller
Notary Public

IRA S. MILLER, NOTARY PUBLIC
ERIE, ERIE COUNTY, PENNSYLVANIA
MY COMMISSION EXPIRES NOV. 16, 1981

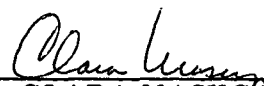
[Notarial Seal]



STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

On this 21st day of December, 1979, before me personally appeared L.C. Roig, Jr., to me personally known, who, being by me duly sworn, says that he is the Assistant Vice-President and Treasurer of THE CHESAPEAKE AND OHIO RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]



CLARA MASUGA
Notary Public, State of Ohio, Cuyahoga County
My Commission Expires April 21, 1984